58750-1
9/27/88

WISCONSIN ECONOMIC INDICATORS

AUGUST 1988

DILHR
DEPARTMENT OF
INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

COVER PHOTO: Courtesy of Wisconsin Division of Tourism Development

WISCONSIN ECONOMIC INDICATORS

SUMMARY FOR JULY

COMPOSITE INDEX

Wisconsin's Composite Index of leading economic indicators decreased by 8.4 percentage points in July. That is a sizable decrease, the largest drop since June of 1986. The large drop, coupled with the fact that this is the third consecutive monthly decrease, would normally cause economic concern. However, the index had unusually high and unsustainable levels during the first half of this year.

Most affecting the index were drops in the weekly average overtime hours of production workers, and a decline in the net gain of business telephone access lines installed during July.

LEADING INDICATORS

The average workweek for production workers in Wisconsin manufacturing industries shrunk by four-tenths of an hour. Some reduction in the workweek is normal for July, since employment levels usually increase. Manufacturing employment did gain this month, but minimally...by 1,600 workers.

The average weekly overtime level is what depressed the workweek. The overtime figure declined by six-tenths of an hour while the "straight-time" workweek actually increased by two-tenths. Nevertheless, when we factor the shorter workweek against the slightly larger employment level, the net is a reduction in manufacturing activity for July.

The average weekly initial claims for unemployment compensation rose by 1,275 in July, a rise that exceeds the normal July increase. An increase of about 650 would have been on par.

Still, the claims level bobbed up from a month-earlier level that was extraordinarily low, the lowest June level since 1979.

Surprisingly, strong growth in the number of job openings received by state Job Service offices pushed the total up by over sixteen hundred. That made this month's the highest July figure since 1984. The openings received number usually does grow in July, but this month's increase is almost twice the normal growth amount.

The number of new business incorporations in Wisconsin fell to the lowest level of the year. New incorporations in July numbered 142 fewer than one month earlier. A decrease of between twenty and twenty-five would fit the normal June-to-July seasonal pattern.

The net gain in business telephone access lines decreased by nearly two thousand this month. Only a small portion of the decline is attributable to seasonal factors.

The number of commercial and industrial building plans examined by state officials decreased by a slight amount, twenty-two. While the decrease is small, an increase is normal in July.

Section

A WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo. Ago	Yr. Ago	Mo/Ago	Yr/Ago	1987
LEADING INDICATORS							
L1 COMPOSITE INDEX OF LEADING INDICATORS							
Seasonally Adjusted	Index	JULY 101.2	109.6	103.8	-7.7%	-2.5%	97.9
L2 AVG. WORK WEEK, MFG.							
Unadjusted	Hours	JULY 41.2	41.6	41.1	-1.0%	0.2%	41.4
Seasonally Adjusted		41.4	41.6	41.3	-0.5%	0.2%	
L3 AVG. OVERTIME HOURS, MFG.							
Unadjusted	Hours	JULY 2.9	3.6	3.7	-19.4%	-21.6%	3.9
Seasonally Adjusted		3.0	3.7	3.8	-18.9%	-21.1%	
L4 AVG. WEEKLY INITIAL CLAIMS							
Unadjusted	Number	JULY 6658	5383	6527	23.7%	2.0%	7601
Seasonally Adjusted		7489	6788	7345	10.3%	2.0%	
L5 TOTAL JOB OPENINGS RECEIVED							
Unadjusted	Number	JULY 9556	7935	9115	20.4%	4.8%	7774
Seasonally Adjusted		8112	7493	7740	8.3%	4.8%	
L6 NEW BUSINESS INCORPORATIONS							
Unadjusted	Number	JULY 488	630	544	-22.5%	-10.3%	546
Seasonally Adjusted		478	595	533	-19.7%	-10.3%	
L7 NET GAIN IN BUSINESS TELEPHONE ACCESS LINES							
Unadjusted	Number	JULY 1514	3499	2413	-56.7%	-37.3%	1921
Seasonally Adjusted		2631	2962	2176	-11.2%	20.9%	
L8 BUILDING PLANS EXAMINED							
Unadjusted	Number	JULY 700	722	808	-3.0%	-13.4%	622
Seasonally Adjusted		570	605	658	-5.8%	-13.4%	
COINCIDING INDICATORS							
C1 HELP-WANTED INDEX (MILW.)							
Seasonally Adjusted	Index	MAY 99	106	82	-6.6%	20.7%	78
C2 UNEMPLOYMENT RATE, TOTAL							
Unadjusted	Percent	JULY 4.2	4.0	5.4	.....	.....	6.1
Seasonally Adjusted		4.6	4.3	5.9	.....	.....	
C3 NATURAL GAS SALES							
Unadjusted	Mil.	JUNE 59.6	84.6	63.1	-29.6%	-5.5%	169.0
Seasonally Adjusted	Therms	133.6	140.5	141.4	-4.9%	-5.5%	
C4 NEW CAR REGISTRATIONS							
Unadjusted	Number	JULY 14,765	19,595	16,008	-24.6%	-7.8%	14,261
Seasonally Adjusted		12,804	16,662	13,882	-23.2%	-7.8%	
C5 ELECTRIC POWER SALES							
Unadjusted	Mil. KWH	JUNE 2543.6	2305.3	2188.7	10.3%	16.2%	2068.8
Seasonally Adjusted		2530.9	2340.4	2178.6	8.1%	16.2%	
C6 TOTAL SECURITIES REGISTRATIONS							
Unadjusted	Mil. Dol.	JULY 294.1	141.1	120.7	108.4%	143.7%	120.4
Seasonally Adjusted		333.4	120.3	136.8	177.1%	143.7%	

Section

A WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo. Ago	Yr. Ago	Mo/Ago	Yr/Ago	1987
C7 MANUFACTURING EMPLOYMENT							
Unadjusted	Thous.	JULY 557.5	555.9	537.8	0.3%	3.7%	526.8
Seasonally Adjusted		548.2	548.8	528.7	-0.1%	3.7%	
C8 AVG. WEEKLY EARNINGS, MFG.							
Unadjusted	Dollars	JULY $435.48	$439.30	$428.26	-0.9%	1.7%	$436.88
Seasonally Adjusted		$441.66	$441.06	$434.28	0.1%	1.7%	
C9 CASH RECEIPYS FROM FARM MKTG.							
Unadjusted	Mil. Dol.	MAY 394.8	380.4	397.6	3.8%	-0.7%	433.1
Seasonally Adjusted		410.4	409.9	413.3	0.1%	-0.7%	
C10 CONTRACT CONSTRUCTION EMPL.							
Unadjusted	Thous.	JULY 77.2	75.6	72.0	2.1%	7.2%	67.4
Seasonally Adjusted		68.3	69.3	63.7	-1.4%	7.2%	
OTHER KEY INDICATORS							
X1 BIRTH REGISTRATIONS							
Unadjusted	Number	JULY 5919	6315	6586	-6.3%	-10.1%	5892
Seasonally Adjusted		5361	6315	5964	-15.1%	-10.1%	
X2 DEATH REGISTRATIONS							
Unadjusted	Number	JULY 3412	3707	3438	-8.0%	-0.8%	3528
Seasonally Adjusted		3453	3853	3480	-10.4%	-0.8%	
X3 NATURAL NET GAIN POPULATION							
Unadjusted	Number	JULY 2507	2608	3148	-3.9%	-20.4%	2364
Seasonally Adjusted		1996	2404	2506	-17.0%	-20.4%	
X4 MARRIAGE REGISTRATIONS							
Unadjusted	Number	JULY 4201	5466	4128	-23.1%	1.8%	3173
Seasonally Adjusted		3091	3874	3038	-20.2%	1.7%	
X5 CONSUMER PRICE INDEX			(Dec '87)	(Jun '87)			
Unadjusted	Index	JUNE 353.7	349.2	340.0	1.3%	4.0%	344.6
X6 PRICES RECEIVED BY FARMERS							
Unadjusted	Index	JUNE 130	131	134	-0.8%	-3.0%	134
Seasonally Adjusted		132	129	136	2.3%	-2.9%	
X7 NET GAIN IN RESIDENTIAL TELEPHONE ACCESS LINES							
Unadjusted	Number	JULY 2391	2325	-104	2.8%	2399.0%	1750
Seasonally Adjusted		2190	1911	1498	14.6%	46.2%	
X8 LABOR DISPUTES, NO. OF WORKERS							
Unadjusted	Number	JULY 41	81	437	-49.4%	-90.6%	538
Seasonally Adjusted		26	180	282	-85.6%	-90.8%	
X9 UNEMPLOYMENT COMPENSATION EXHAUSTEES							
Unadjusted	Number	JULY 15,020	16,461	18,871	-8.8%	-20.4%	18560
Seasonally Adjusted		14,051	15,047	17,647	-6.6%	-20.4%	

Section

B LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES JULY	(In Thousands)			% CHANGE	
	Latest Mo.	Mo. Ago	Yr. Ago	Mo/Ago	Yr/Ago
Unadjusted					
CIVILIAN LABOR FORCE	2586.6	2581.8	2510.0	0.2%	3.1%
Employment (incl. Labor Disputes)	2479.2	2478.5	2375.0	0.0%	4.4%
Unemployment	107.5	103.3	135.0	4.1%	-20.4%
Unemployment Rate	4.2	4.0	5.4	.....	.....
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2554.0	2524.4	2480.3	1.2%	3.0%
Employment (incl. Labor Disputes)	2437.8	2415.7	2334.4	0.9%	4.4%
Unemployment	116.2	108.7	145.9	6.9%	-20.4%
Unemployment Rate	4.6	4.3	5.9	.....	.....

WISCONSIN EMPLOYMENT ESTIMATES JULY	(In Thousands)			% CHANGE	
	Latest Mo.	Mo. Ago	Yr. Ago	Mo/Ago	Yr/Ago
Unadjusted					
TOTAL NONFARM WAGE AND SALARY WORKERS	2159.3	2179.1	2087.8	-0.9%	3.4%
Manufacturing	557.5	555.8	537.4	0.3%	3.7%
Mining	2.6	2.5	2.4	4.0%	8.3%
Contract Construction	77.2	75.6	72.0	2.1%	7.2%
Transportation and Public Utilities	95.7	97.9	92.3	-2.2%	3.7%
Electric, Gas and Sanitary Services	18.0	17.8	18.1	1.1%	-0.6%
Wholesale Trade	112.4	112.9	107.4	-0.4%	4.7%
Retail Trade	411.9	410.4	394.9	0.4%	4.3%
General Merchandise	48.8	48.7	47.4	0.2%	3.0%
Finance, Insurance and Real Estate	115.8	115.3	114.3	0.4%	1.3%
Banking	28.5	28.2	28.3	1.1%	0.7%
Insurance	38.8	38.8	38.1	0.0%	1.8%
Service and Miscellaneous	476.4	475.7	462.1	0.1%	3.1%
Hospitals	71.8	71.4	69.0	0.6%	4.1%
Private Education	22.6	24.7	22.0	-8.5%	2.7%
Government	309.8	333.0	305.0	-7.0%	1.6%
State Government	76.7	78.3	75.6	-2.0%	1.5%
Local Government	203.9	225.4	200.6	-9.5%	1.6%

UNITED STATES LABOR FORCE ESTIMATES AUGUST	(In Thousands)			% CHANGE	
	Latest Mo.	Mo. Ago	Yr. Ago	Mo/Ago	Yr/Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	122,031	121,684	120,306	0.3%	1.4%
Employment (incl. Labor Disputes)	115,180	115,059	113,050	0.1%	1.9%
Unemployment	6,851	6,625	7,256	3.4%	-5.6%
Unemployment Rate	5.6%	5.4%	6.0%	.....	.....

WISCONSIN ECONOMIC INDICATORS

MANUFACTURING EMPLOYMENT Unadjusted JULY	(In Thousands)			% CHANGE	
	Latest Mo.	Mo. Ago	Yr. Ago	Mo/Ago	Yr/Ago
All Manufacturing (Incl. Canning)	557.5	555.8	537.4	0.3%	3.7%
All Manufacturing (Excl. Canning)	542.9	543.4	519.3	-0.1%	4.5%
Durable Goods	340.8	340.8	323.1	0.0%	5.5%
Lumber and Wood Products (Excl. Furniture)	29.2	29.0	27.4	0.7%	6.6%
Furniture and Fixtures	11.7	11.6	10.9	0.9%	7.3%
Stone, Clay, and Glass Products	10.1	10.2	9.8	-1.0%	3.1%
Primary Metal Industries	22.3	22.2	19.6	0.5%	13.8%
Iron and Steel Foundries	11.5	11.6	10.0	-0.9%	15.0%
Fabricated Metal Products	57.6	57.0	53.8	1.1%	7.1%
Fabricated Structural Metal Products	14.2	14.1	12.9	0.7%	10.1%
Metal Stampings	11.5	11.4	11.1	0.9%	3.6%
Machinery (Excl. Electrical)	108.9	109.4	101.7	-0.5%	7.1%
Engines and Turbines	19.5	20.5	19.4	-4.9%	0.5%
Farm Machinery and Equipment	13.4	13.1	12.0	2.3%	11.7%
Constr.,Mining, Material Handling Machinery	11.0	11.1	10.2	-0.9%	7.8%
Metalworking Machinery and Equipment	11.7	11.7	11.5	0.0%	1.7%
Special Ind. Mach., Excl. Metalworking	14.3	14.3	13.0	0.0%	10.0%
Gen. Industrial Mach. and Equip.	15.4	15.2	13.9	1.3%	10.8%
Electrical Machinery, Equip. and Supplies	47.8	47.6	45.7	0.4%	4.6%
Electrical Industrial Apparatus	15.6	15.7	15.0	-0.6%	4.0%
Transportation Equipment	30.9	31.4	33.0	-1.6%	-6.4%
Motor Vehicles and Equipment	24.7	25.1	25.8	-1.6%	-4.3%
Instrument and Related Products	12.3	12.3	11.8	0.0%	4.2%
Miscellaneous Manufacturing	10.0	10.1	9.4	-1.0%	6.4%
Nondurable Goods	216.7	215.0	214.3	0.8%	1.1%
Food and Kindred Products	67.2	64.7	69.8	3.9%	-3.7%
Meat Products	15.3	15.2	15.2	0.7%	0.7%
Dairy Products	18.4	18.4	17.6	0.0%	4.5%
Canning and Preserving	14.6	12.4	18.1	17.7%	-19.3%
Bakery Products	4.4	4.4	4.5	0.0%	-2.2%
Beverage Industries	7.5	7.4	7.4	1.4%	1.4%
Textile Mill Products	4.9	4.8	4.6	2.1%	6.5%
Apparel and Other Finished Products	7.2	7.2	6.9	0.0%	4.3%
Paper and Allied Products	50.0	50.0	48.7	0.0%	2.7%
Pulp and Paper Mills	30.4	30.4	29.8	0.0%	2.0%
Printing, Publishing and Allied Products	44.7	44.7	41.8	0.0%	6.9%
Chemicals and Allied Products	10.6	10.5	10.7	1.0%	-0.9%
Rubber and Misc. Plastics Products	25.2	25.7	25.0	-1.9%	0.8%
Miscellaneous Plastics Products	21.2	21.7	20.7	-2.3%	2.4%
Leather and Leather Products	6.7	7.2	6.6	-6.9%	1.5%

Section C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS Unadjusted JULY	Average Weekly Earnings			Average Weekly Hours		
	Latest Mo.	Mo. Ago	Yr. Ago	Latest Mo.	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$435.48	$439.30	$428.26	41.2	41.6	41.1
All Manufacturing (Excl. Canning)	442.39	443.92	436.95	41.5	41.8	41.3
Durable Goods	445.12	449.63	441.79	41.6	42.1	41.6
Lumber and Wood Products (Excl. Furniture)	331.52	335.62	324.24	41.7	41.9	41.2
Furniture and Fixtures	364.20	361.30	352.46	43.1	43.9	43.3
Stone, Clay, and Glass Products	456.73	436.08	432.35	46.7	46.0	45.8
Primary Metal Industries	439.38	448.36	437.31	42.7	44.0	43.0
Iron and Steel Foundries	456.86	459.90	445.74	45.1	45.4	43.7
Fabricated Metal Products	417.58	417.96	414.73	41.1	41.3	40.7
Fabricated Structural Metal Products	425.75	422.26	435.66	43.4	43.0	44.5
Metal Stampings	453.40	450.96	430.68	40.7	40.7	38.8
Machinery (Excl. Electrical)	498.74	495.20	493.11	42.7	42.8	42.4
Engines and Turbines	517.00	528.77	580.33	39.8	40.8	44.3
Farm Machinery and Equipment	649.20	544.12	508.82	50.6	44.6	41.3
Constr.,Mining, Material Handling Machinery	517.36	521.36	447.37	44.6	45.1	41.5
Metalworking Machinery and Equipment	519.29	556.45	529.91	42.6	46.8	42.7
Special Ind. Mach., Excl. Metalworking	502.42	499.82	481.34	43.2	43.5	41.0
Gen. Industrial Mach. and Equip.	444.61	452.47	475.36	40.2	40.8	41.3
Electrical Machinery, Equip. and Supplies	411.20	412.05	415.55	39.5	40.2	40.7
Electrical Industrial Apparatus	446.12	432.14	469.14	40.3	41.0	42.0
Transportation Equipment	581.45	629.42	565.61	40.1	42.3	40.2
Instrument and Related Products	379.13	383.04	386.13	41.3	42.0	42.2
Nondurable Goods	421.65	422.06	408.85	40.7	40.7	40.4
Food and Kindred Products	383.76	397.07	351.90	40.1	40.6	39.1
Meat Products	375.90	394.27	363.32	42.0	44.3	41.1
Dairy Products	403.10	412.51	398.00	40.8	41.5	40.0
Textile Mill Products	284.28	286.88	289.78	41.2	41.1	40.7
Apparel and Other Finished Products	266.37	266.39	245.99	39.0	39.7	38.8
Paper and Allied Products	590.52	575.79	569.97	45.6	44.6	45.2
Pulp and Paper Mills	646.31	628.81	619.54	46.8	45.5	46.2
Printing, Publishing and Allied Products	404.78	401.47	437.70	37.0	36.9	38.7
Chemicals and Allied Products	398.15	409.11	420.92	38.1	39.0	38.3
Rubber and Misc. Plastics Products	339.44	347.13	322.49	39.7	40.6	38.3
Leather and Leather Products	255.36	241.61	259.74	38.0	37.0	39.0

WISCONSIN ECONOMIC INDICATORS

AVERAGE HOURLY EARNINGS Unadjusted JULY	Including Overtime			Excluding Overtime		
	Latest Mo.	Mo. Ago	Yr. Ago	Latest Mo.	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$10.57	$10.56	$10.42	$10.07	$10.07	$10.01
All Manufacturing (Excl. Canning)	10.66	10.62	10.58	10.16	10.13	10.14
Durable Goods	10.70	10.68	10.62	10.22	10.21	10.27
Lumber and Wood Products (Excl. Furniture)	7.95	8.01	7.87	7.61	7.66	7.81
Furniture and Fixtures	8.45	8.23	8.14	8.07	7.88	7.88
Stone, Clay, and Glass Products	9.78	9.48	9.44	9.06	8.80	9.05
Primary Metal Industries	10.29	10.19	10.17	9.76	9.61	9.73
Iron and Steel Foundries	10.13	10.13	10.20	9.51	9.48	9.69
Fabricated Metal Products	10.16	10.12	10.19	9.76	9.74	9.74
Fabricated Structural Metal Products	9.81	9.82	9.79	9.30	9.35	9.23
Metal Stampings	11.14	11.08	11.10	10.64	10.69	10.76
Machinery (Excl. Electrical)	11.68	11.57	11.63	11.21	11.09	11.29
Engines and Turbines	12.99	12.96	13.10	12.48	12.37	12.90
Farm Machinery and Equipment	12.83	12.20	12.32	12.48	11.71	11.72
Constr.,Mining, Material Handling Machinery	11.60	11.56	10.78	11.07	11.07	10.46
Metalworking Machinery and Equipment	12.19	11.89	12.41	11.64	11.44	12.00
Special Ind. Mach., Excl. Metalworking	11.63	11.49	11.74	11.07	10.92	11.21
Gen. Industrial Mach. and Equip.	11.06	11.09	11.51	10.66	10.71	11.09
Electrical Machinery, Equip. and Supplies	10.41	10.25	10.21	9.94	9.86	9.81
Electrical Industrial Apparatus	11.07	10.54	11.17	10.54	10.18	10.86
Transportation Equipment	14.50	14.88	14.07	13.70	13.93	13.48
Instrument and Related Products	9.18	9.12	9.15	8.88	8.84	8.82
Nondurable Goods	10.36	10.37	10.12	9.83	9.85	9.61
Food and Kindred Products	9.57	9.78	9.00	9.01	9.18	8.66
Meat Products	8.95	8.90	8.84	8.42	8.26	8.47
Dairy Products	9.88	9.94	9.95	9.36	9.37	9.42
Textile Mill Products	6.90	6.98	7.12	6.66	6.71	6.85
Apparel and Other Finished Products	6.83	6.71	6.34	6.56	6.46	6.16
Paper and Allied Products	12.95	12.91	12.61	12.22	12.22	11.86
Pulp and Paper Mills	13.81	13.82	13.41	12.98	13.01	12.54
Printing, Publishing and Allied Products	10.94	10.88	11.31	N.A.	N.A.	N.A.
Chemicals and Allied Products	10.45	10.49	10.99	10.11	10.02	10.72
Rubber and Misc. Plastics Products	8.55	8.55	8.42	8.15	8.20	8.10
Leather and Leather Products	6.72	6.53	6.66	6.58	6.38	6.47

Section

C SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers (Unadjusted) JULY	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS				
							INCL. OVERTIME			EXCL. OVERTIME	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$414.33	$418.59	$400.72	40.7	41.2	40.6	$10.18	$10.16	$9.87	.....	.....
Wisconsin	435.38	439.30	428.26	41.2	41.6	41.1	10.57	10.56	10.42	10.07	10.07
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	479.52	479.76	452.28	43.2	43.3	41.8	11.10	11.08	10.82	10.57	10.58
Beloit (City)	INA	INA	INA	INA	INA	INA	INA	INA	INA	INA	INA
Eau Claire (Eau Claire-Chippewa)	426.37	426.87	452.45	40.3	40.5	41.7	10.58	10.54	10.85	9.80	9.84
Fond du Lac (County)	INA	INA	INA	INA	INA	INA	INA	INA	INA	INA	INA
Green Bay (Brown County)	480.53	489.34	459.48	42.3	42.7	42.0	11.36	11.46	10.94	10.74	10.78
Janesville (City)	INA	INA	INA	INA	INA	INA	INA	INA	INA	INA	INA
Janesville-Beloit (Rock Co.)	499.79	541.44	476.91	40.6	42.3	38.9	12.31	12.80	12.26	11.51	11.97
Kenosha (County)	471.24	500.98	472.29	38.5	39.2	39.0	12.24	12.78	12.11	11.87	12.26
La Crosse (County)	356.11	354.76	350.90	39.7	39.2	38.1	8.97	9.05	9.21	8.69	8.82
Madison (Dane County)	427.32	420.09	398.37	42.1	41.8	40.9	10.15	10.05	9.74	9.65	9.58
Manitowoc (County)	INA	INA	INA	INA	INA	INA	INA	INA	INA	INA	INA
Milwaukee (Milwaukee-Ozaukee-Washington-Waukesha)	472.87	476.51	483.28	40.8	41.4	41.2	11.59	11.51	11.73	11.02	10.97
Racine (County)	456.85	444.29	429.94	40.9	40.5	39.3	11.17	10.97	10.94	10.79	10.54
Sheboygan (County)	INA	INA	INA	INA	INA	INA	INA	INA	INA	INA	INA
Wausau (Marathon County)	426.15	428.71	424.84	42.7	42.7	43.0	9.98	10.04	9.88	9.44	9.46

INA - Information Not Available due to budget reductions

MANUFACTURING EMPLOYMENT Unadjusted JULY	(In Thousands)			% CHANGE	
	Latest Mo.	Mo. Ago	Yr. Ago	Mo/Ago	Yr/Ago
United States	19524.0	19651.0	18982.0	-0.6%	2.9%
Wisconsin	557.5	555.8	537.4	0.3%	3.7%
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	54.4	54.1	51.7	0.6%	5.2%
Beloit (City)	INA	INA	INA		
Eau Claire (Eau Claire-Chippewa)	11.0	11.0	10.3	0.0%	6.8%
Fond du Lac (County)	INA	INA	INA		
Green Bay (Brown County)	26.3	25.8	25.6	1.9%	2.7%
Janesville (City)	INA	INA	INA		
Janesville-Beloit (Rock County)	17.7	17.8	17.8	-0.6%	-0.6%
Kenosha (County)	14.5	14.3	13.4	1.4%	8.2%
La Crosse (County)	11.3	11.4	10.9	-0.9%	3.7%
Madison (Dane County)	23.8	23.5	22.9	1.3%	3.9%
Manitowoc (County)	INA	INA	INA		
Milwaukee (Milwaukee-Ozaukee-Washington-Waukesha)	175.1	175.6	168.3	-0.3%	4.0%
Racine (County)	24.8	24.8	23.7	0.0%	4.6%
Sheboygan (County)	INA	INA	INA		
Wausau (Marathon County)	14.3	14.3	13.4	0.0%	6.7%

THE SECULAR TREND IN EMPLOYMENT

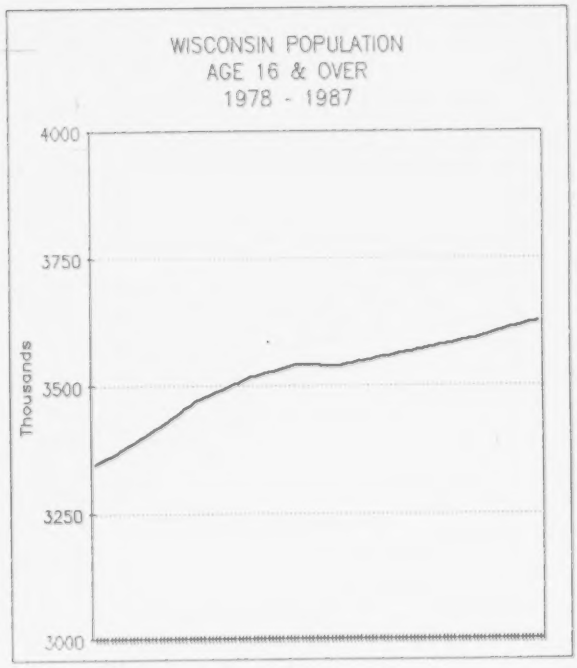
It is really the secular trend that economists and analysts are forecasting when they make long-range employment projections

By Joseph Tumpach, Jr.

Its been done for such a long time that we almost automatically focus on seasonal patterns and business cycles when we think about the economy. Economists and the business media have been telling us how long the present economic expansion has lasted and are telling us its about time for a recession...business cycle talk. And publishers of economic indicators along with other business data footnote and subtitle their tables, indicating whether the data represents actual values or a seasonal trend from one month to the next.

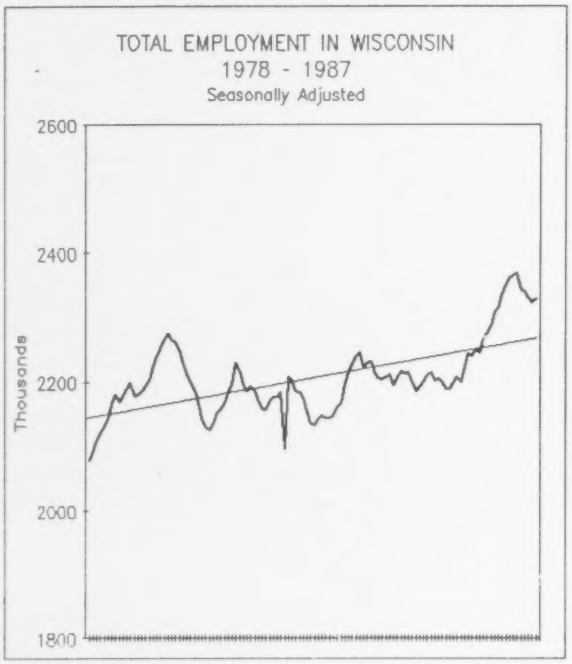
Yet, when we analyze the records of economic activity kept over time, we recognize four components. Along with the cyclical trend of ups and downs in the business cycle and with the seasonal influence which occurs within a single year, we also note an erratic component and, of course, the basic long-term component called the secular trend. The erratic components, in employment statistics for example, is caused by such things as labor strikes or extreme weather on a particular day which can alter a month's employment data. Those events are unpredictable and difficult to deal with. However, the fourth component, the secular trend, often overlooked, is the underlying component to which the others are added or subtracted. It is usually the major portion of the data. The secular trend in employment is quite predictable because the factors influencing it change slowly.

We cannot predict the stages and turning points of the business cycle years in advance. Instead, we rely on leading indicators whose turning points generally precede by several months the general economic lapse into recession or spurt into recovery. Nor, of course, can be predict the erratic component in the employment level from one month of the next. It is really the secular trend that economists and analysts are forecasting when they make long-range employment projections.



Economists point out that the economy grows by fits and starts, two steps forward, one back...because within a business cycle, the expansion phase usually is much longer than the recession phase. And what drives the expansion is demand, a pent-up demand which, from the labor market perspective, requires added workers producing goods and services. Even during a severe recession, when the unemployment rate reaches twelve, perhaps fifteen percent, the remaining eighty-five percent of the workers in the labor force are working. True, the labor force does contract during a recession. But the employment level at the depths of a recession seldom sinks below the low employment level of the previous recession. That is, through a series of recessions and expansions there is long-term employment growth because of the basic secular trend in employment. In fact, during the latest recession, July 1981 to November 1982, the total employment level of Wisconsin decreased about 95 thousand from the highest pre-recession level to the lowest level during the recession. That was just a little over four percent loss of employment. Yet, total unemployment increased by 168 thousand and the unemployment rate reached twelve percent...because even during the recession, new workers entered the labor force looking for jobs.

What energizes the long-term growth of the economy and of employment; what are the factors that produce growth in the basic employment level? First, population growth is a force. Employment growth requires a growing pool of working-age population from which to draw workers. Employers and industry planners recognize that need when selecting sites for new factories and facilities. In the past decade, through the nation as well as Wisconsin, available working-age population posed no problem for employers. The large swell of population from the post-World-War II baby boom had aged to 16 and began entering the labor force. From 1970 to 1980, Wisconsin's labor force burgeoned by nearly 49 thousand per year. And employment levels rose by over 41 thousand per year. By comparison, between 1980 and 1985, growth averaged a little over 21 thousand annually.



Along with population growth, other necessary elements govern basic economic change. Employment levels, of course, do depend on the magnitude of the economy as a whole, on the number and size of business firms in the myriad industries composing the economy. Thus, there exists a symbiotic relationship. Healthy economic growth depends on a growing pool of workers, and employment growth requires business growth.

And, the basic long-term trend of industries can shift. Much depends on a tangle of factors that determine whether an industry grows or declines ...proximity to markets, availability of raw materials, new and improved product introduction, the cost and

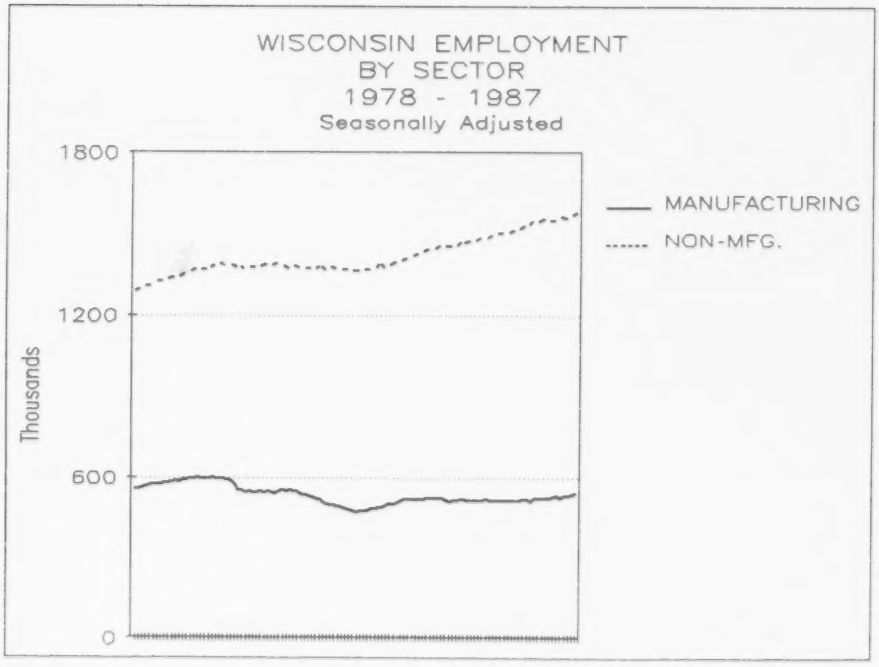
productivity of workers, and the amount of capital invested in technology and in efficiency improvement.

Automation continues to provide productivity gains in manufacturing industries. This, some feel, will permit the continued expansion of the production of goods with no increases of employment. Too, while many manufacturers are trying to reduce labor costs, industries which fail to automate may lose the most employment ...they will go out of business if unable to compete using their existing outdated technology.

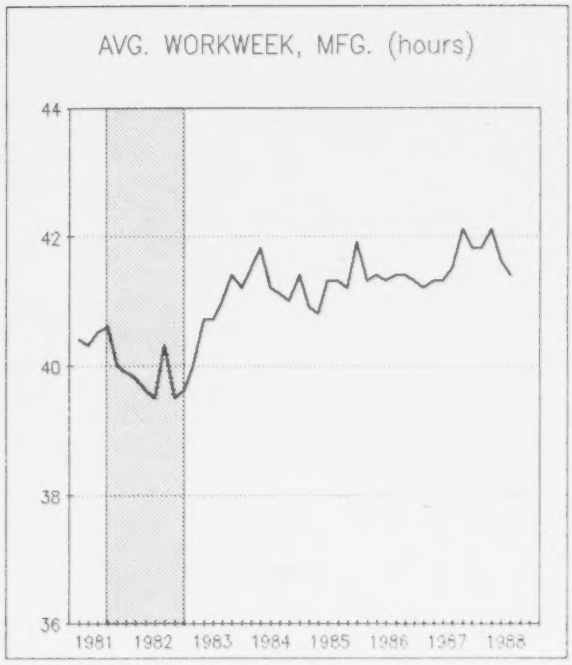
Annual manufacturing employment growth between 1954 and 1987 amounted to only 0.54 percent per year at a compound rate.

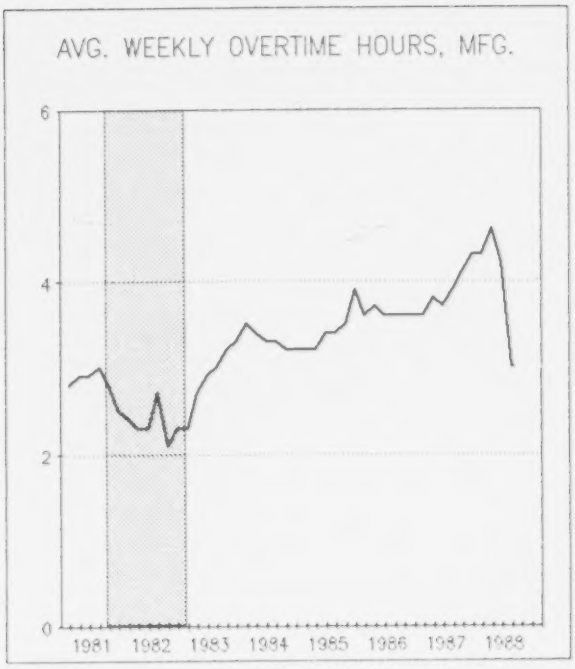
Annual average manufacturing employment has shown virtually no growth since 1969. The question is whether the very slow growth will continue or whether increased automation will permit growth in manufacturing output with actual declining employment, as happened in agriculture.

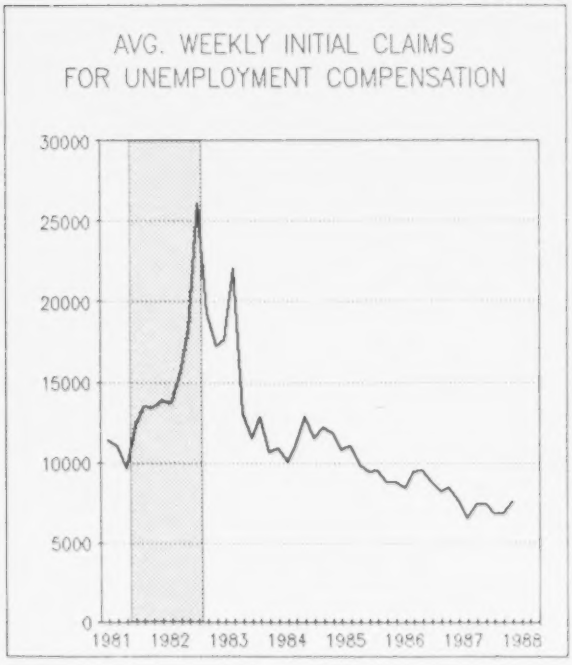
On the other hand, automation has created some of the fastest growth areas of employment in Wisconsin, such as the manufacturing of computing and accounting machinery, photographic services, data processing services and miscellaneous business services. There likely will be increased capital spending in the service area, to bring about an "industrialization of services" and a marked increase in productivity. And that all adds to more employment opportunities. ▩

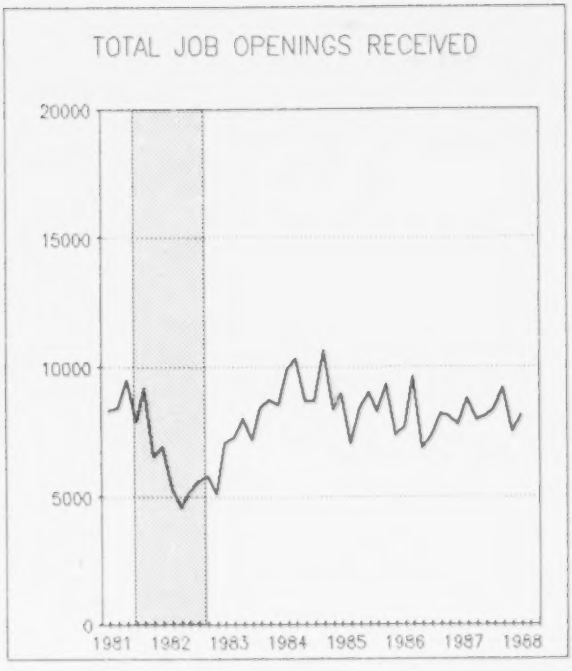


D CYCLICAL INDICATORS

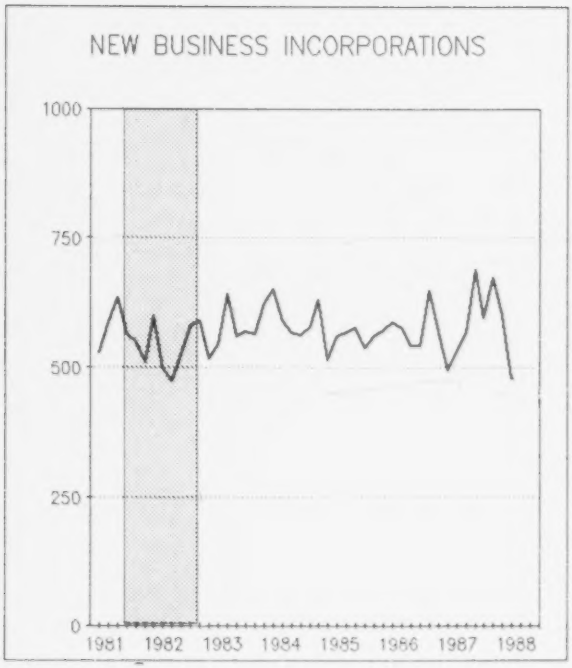


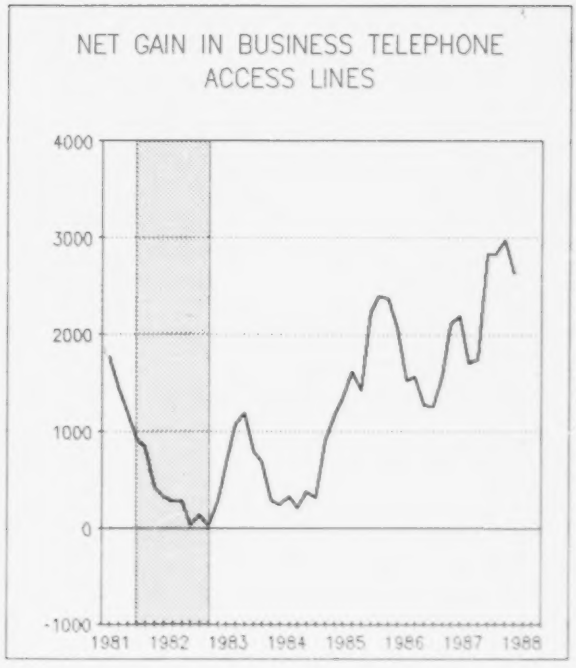


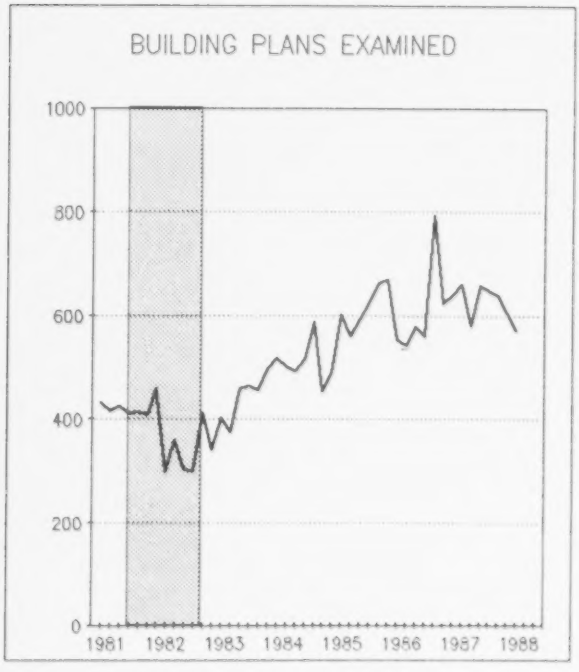


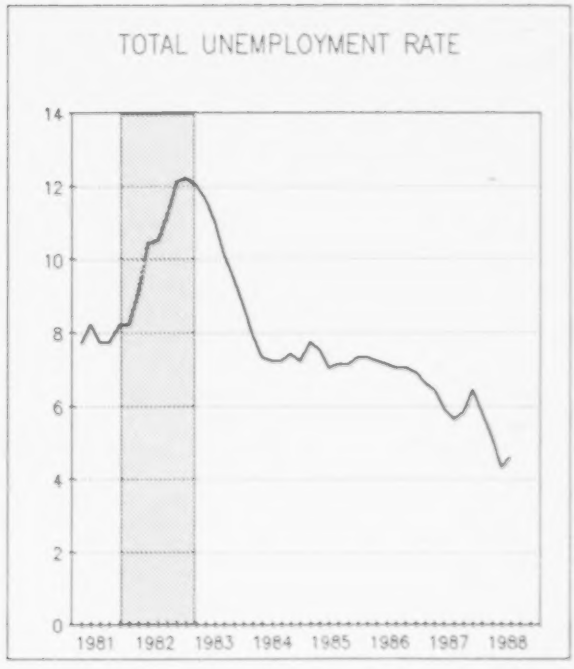


D CYCLICAL INDICATORS









Department of Industry,
Labor and Human Relations

DILHR

201 E. Washington Ave.
P.O. Box 7944
Madison, WI 53707

OFFICIAL BUSINESS
PENALTY FOR PRIVATE
USE, $300.

FIRST CLASS MAIL

U.S. MAIL

Postage and Fees Paid
U.S. Department of Labor
Lab 449

00089DE
CONGRESSIONAL INFO. SERVICE
SRI
4520 EAST/WEST HIGHWAY
BETHESDA, MD
20814

FIRST CLASS MAIL

CHANGE OF ADDRESS ☐ NEW ADDITION ☐ -Please Print or Type New Address

NAME OF BUSINESS _____

ATTENTION _____

STREET ADDRESS _____

CITY _____ STATE _____ ZIP CODE _____

DISCONTINUE SERVICE ☐ I DO NOT WISH TO CONTINUE RECEIVING THIS PUBLICATION.

DETACH THIS BACK PAGE, MAKE SURE THE MAILING LABEL LOCATED AT THE TOP OF THIS PAGE IS INCLUDED AND RETURN TO: WISCONSIN EMPLOYMENT AND ECONOMIC INDICATORS, BOX 7944, MADISON, WI., 53707